

**FISCAL NOTE**  
**HB 3027 - SB 3099**

February 24, 2000

**SUMMARY OF BILL:** Makes several changes in the statutes which govern procurement of commodities by the Department of General Services and the procurement of services through the Department of Finance and Administration as follows:

1. Makes clear that neither submitting a bid or proposal nor being declared the apparent winner creates any rights, interests, or claims of entitlement.
2. Provides that only actual bidders have the right to protest.
3. Shortens the time within which a vendor may bring a protest after he/she knew or should have known of the facts giving rise to the protest from 10 days to 7 days.
4. Provides that the signature of a protesting party or his attorney on a request for consideration, protest, motion or other document, constitutes a certificate that the signer has read the document, that it is well grounded in fact and is not interposed for any improper purpose such as to harass or cause unnecessary delay.
5. Sets the reasons for which all proposals may be rejected.
6. Authorizes the Commissioner of Finance and Administration to make purchases on the open market for personal, professional and consultant services outside the ordinary processes in order to meet emergencies arising from unforeseen circumstances.
7. Requires that a protesting party post a protest bond before the protest may proceed or a stay of award may be put into effect. Small and/or minority businesses may be exempt from the protest bond requirement if the lowest cost proposal is less than \$1,000,000.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - Not Significant**

Assumes:

- a not significant increase in state expenditures to the extent purchases are made on the open market in an emergency which are higher than the same purchases would have been if they had been made through competitive bid procedures.
- any administrative costs for overseeing the new requirements will be not significant and will be more than offset by the savings resulting from the avoidance of frivolous protests.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

**HB 3027 - SB 3099**